MT LEGISLATIVE HISTORY

Chapter 274 1981

Bill H _____ (S) 432 Original bill & hist. ✓ C

H. Committee on State Administration			S. Committee on State Administration		
Hearing Date(s)	Mar 20	✓ C	Hearing Date(s)	Feb 16	✓ C
	Mar 23	✓ C		Feb 17	✓ C
		C			C
		C			C
Date Out	Mar 23	✓ C		Feb 17	✓ C

Did this bill originate in an interim committee? ___ Yes ___ No

Committee _____ Report _____

SENATE BILL NO. 432

INTRODUCED BY VAN VALKENBURG, QUILICI, STORY, FABREGA, HAZELBAKER, KENNIS, SHONTZ, LORY

BY REQUEST OF THE OFFICE OF THE GOVERNOR

IN THE SENATE

February 11, 1981	Introduced and referred to Committee on State Administration.
	Fiscal note requested.
February 16, 1981	Fiscal note returned.
February 18, 1981	Committee recommend bill do pass as amended. Report adopted.
February 19, 1981	Bill printed and placed on members' desks.
February 20, 1981	Second reading, do pass.
February 23, 1981	Correctly engrossed.
February 24, 1981	Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

IN THE HOUSE

March 3, 1981	Introduced and referred to Committee on State Administration.
March 24, 1981	Committee recommend bill be concurred in. Report adopted.
March 28, 1981	Second reading, concurred in.
March 30, 1981	On motion rules suspended and bill allowed to be transmitted on 71st legislative day. Motion adopted.
March 31, 1981	Third reading, concurred in. Ayes, 97; Noes, 2.

IN THE SENATE

April 1, 1981

Returned from House. Concurred in. Sent to enrolling.

Reported correctly enrolled.

Senate BILL NO. 432

INTRODUCED BY Van Valkenburg Dunkirk Story Eskridge

BY REQUEST OF THE OFFICE OF THE GOVERNOR

Halligan Kennedy Story

A BILL FOR AN ACT ENTITLED: "AN ACT TO MERGE THE DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING AND CERTAIN FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS WITH THE DEPARTMENT OF BUSINESS REGULATION AND TO RENAME THAT DEPARTMENT THE DEPARTMENT OF COMMERCE; TO ALLOCATE CERTAIN FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS TO OTHER DEPARTMENTS OF STATE GOVERNMENT; TO GENERALLY REVISE THE LAWS TO CONFORM TO THE MERGER; TO ABOLISH OTHER FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS, INCLUDING THE STATE AIRCRAFT POOL; TO PROVIDE FOR A STATE INFORMATION AND RESEARCH SYSTEM; REPEALING SECTIONS 2-15-1101, 2-15-1601, AND 67-2-201 THROUGH 67-2-205, MCA; AND PROVIDING EFFECTIVE DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-15-104, MCA, is amended to read:

"2-15-104. Structure of executive branch. (1) In accordance with the constitution, all executive and administrative offices, boards, commissions, agencies, and instrumentalities of the executive branch of state government and their respective functions are allocated by this chapter among and within the following departments or entities:

(a) department of administration;

~~(b) department of community affairs;~~

~~(c)~~ (b) department of military affairs;

~~(d)~~ (c) department of revenue;

~~(e)~~ (d) state board of education;

~~(f) department of professional and occupational licensing;~~

~~(g)~~ (e) department of labor and industry;

~~(h)~~ (f) department of ~~business regulation~~ commerce;

~~(i)~~ (g) department of justice;

~~(j)~~ (h) department of health and environmental sciences;

~~(k)~~ (i) department of social and rehabilitation services;

~~(l)~~ (j) department of institutions;

~~(m)~~ (k) department of highways;

~~(n)~~ (l) department of public service regulation;

~~(o)~~ (m) department of agriculture;

~~(p)~~ (n) department of livestock;

~~(q)~~ (o) department of state lands;

~~(r)~~ (p) department of natural resources and conservation;

~~(s)~~ (q) department of fish, wildlife, and parks.

INTRODUCED BIL

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(2) For its internal structure, each department shall adhere to the following standard terms:

(a) The principal unit of a department is a division. Each division shall be headed by an administrator.

(b) The principal unit of a division is a bureau. Each bureau shall be headed by a chief.

(c) The principal unit of a bureau is a section. Each section shall be headed by a supervisor."

Section 2. Department of business regulation renamed department of commerce. The department of business regulation is renamed the department of commerce. The functions of the department of business regulation are retained by the department of commerce. Unless inconsistent with this act, any reference in the MCA, including laws passed by the 47th legislature, to the "department of business regulation" or "department" or "director" (of business regulation) is changed to the "department of commerce" or "department" or "director" (of commerce).

Section 3. Department of professional and occupational licensing abolished -- functions transferred to department of commerce. The department of professional and occupational licensing is abolished and its functions are transferred to the department of commerce. Unless inconsistent with this act, any reference in the MCA, including laws passed by the 47th legislature, to the "department of professional and

occupational licensing" or "department" or "director" (of professional and occupational licensing) is changed to the "department of commerce" or "department" or "director" (of commerce).

Section 4. Professional and occupational licensing boards -- reallocation. All boards allocated to the department of professional and occupational licensing under Title 2, chapter 15, part 16, are reallocated to the department of commerce under Title 2, chapter 15, part 18. The code commissioner shall recodify those sections as an integral part of Title 2, chapter 15, part 18, and the provisions of Title 2, chapter 15, apply to those sections. The code commissioner shall change internal name and section number references accordingly.

NEW SECTION. Section 5. Definition. As used in this part, "board" means each board [reallocated by section 4].

Section 6. Department of community affairs abolished -- certain functions transferred to department of commerce. (1) The department of community affairs is abolished.

(2) The following functions of the department of community affairs are transferred to the department of commerce:

(a) allocation of state funds for public transportation in 7-14-102;

(b) acting as state administering agency for the

Montana Economic Land Development Act under Title 15, chapter 24, part 13;

(c) relating to aviation and contained in 15-70-204, 15-70-221, Title 67, and 80-8-204;

(d) assisting development credit corporations, contained in 32-4-201;

(e) relating to recommendations concerning major facility siting and contained in 75-20-211, 75-20-216, and 75-20-501;

(f) prescribing standards for monumentation under 76-3-403;

(g) establishing minimum subdivision review rules under 76-3-502 and 76-4-129;

(h) planning and developing the state economy, contained in Title 90, chapter 1, part 1;

(i) furnishing advice concerning secondary industry development under 90-5-113; and

(j) furnishing facilities and information to the coal board under 90-6-204 and 90-6-207.

(3) Unless inconsistent with this act, any reference to the "department of community affairs" or "department" (of community affairs) in the sections listed in subsection (2) and in 2-8-103 are changed to "department of commerce" or "department" (of commerce).

(4) The divisions of the department of community

affairs are abolished. Any reference in the sections listed in subsection (2) to a division in the department of community affairs is changed to "department" (of commerce).

(5) The governor may by executive order assign to a department in a manner consistent with this act functions allocated to the department of community affairs by the 47th legislature and not transferred by this act.

Section 7. Functions of department of community affairs transferred to department of administration. (1) The functions of the department of community affairs of auditing the accounts and financial transactions of political subdivisions and generally assisting political subdivisions in Title 2, chapter 7, part 5; 2-9-702; 2-9-802; 7-1-4121; 7-1-4130; 7-1-4145; 7-1-4147; 7-1-4148; Title 7, chapter 2, part 49; 7-3-146; 7-3-153; 7-4-2634; 7-5-2132; 7-5-4124; 7-6-207; 7-6-209; 7-6-210; 7-6-2114; 7-6-2203; 7-6-2212; 7-6-2302; 7-6-2311; 7-6-2314; 7-6-2315; 7-6-2322; 7-6-4111; 7-6-4113; 7-6-4205; 7-6-4221; 7-6-4225; 7-6-4233; 7-7-123; 15-36-112; 17-6-103; 19-11-206; 19-11-303; 19-11-403; 20-1-212; 20-9-203; 20-9-344; 20-9-504; 61-2-208; 85-7-1616; 85-7-1913; 85-7-2027; and 85-9-611 and disposing of oil and gas severance taxes in 15-36-112 are transferred to the department of administration.

(2) Unless inconsistent with this act, any reference to "department of community affairs" in the sections listed

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in subsection (1) or to "municipal audit division" or "department" (of community affairs) in those sections or related reference to "department" (of community affairs) in related sections is changed to "department of administration".

Section 8. Functions transferred to department of justice. (1) The functions of the department of community affairs of administering the highway traffic safety program under 61-2-102 and 61-2-103 and of assisting in delivery of emergency medical services under 50-6-104 and 50-6-203 are transferred to the department of justice.

(2) Unless inconsistent with this act, any reference to the "department of community affairs" or divisions of that department in the sections in subsection (1) is changed to the "department of justice".

Section 9. Functions transferred to department of social and rehabilitation services. (1) The functions of the department of community affairs of allocating weatherization money under 90-4-201 and 90-4-202 are transferred to the department of social and rehabilitation services.

(2) Unless inconsistent with this act, any reference to the "department of community affairs" in the sections in subsection (1) is changed to the "department of social and rehabilitation services".

Section 10. Functions of department of community

affairs eliminated. (1) The functions of the department of community affairs as a member of the human services agency team in 53-10-101 and of receiving for review facility siting applications under 75-20-211, 75-20-216, and 75-20-501 are eliminated.

(2) Unless inconsistent with this act, any reference to the "department of community affairs" and any words dependent on such reference for meaning in those sections in subsection (1) are deleted.

Section 11. Board of housing -- reallocated to department of commerce. (1) The board of housing created in 2-15-1008 and allocated to the department of administration is reallocated to the department of commerce. The code commissioner shall recodify that section in Title 2, chapter 15, part 18, and change internal name and section number references accordingly.

(2) The functions of the department of administration relating to assisting in the financing of housing under Title 90, chapter 6, part 1, are transferred to the department of commerce. Unless inconsistent with this act, any reference in that part to the "department of administration" or "department" (of administration) is changed to "department of commerce" or "department" (of commerce).

Section 12. Boards reallocated to department of

commerce. The board of county printing, the board of aeronautics, the coal board, and the office of state coordinator of Indian affairs, allocated to the department of community affairs under 2-15-1102 through 2-15-1104 and 2-15-1111, are reallocated to the department of commerce. The code commissioner shall recodify those sections in Title 2, chapter 15, part 18, and change internal name and section number references accordingly.

NEW SECTION. Section 13. State information and research system. The department of administration shall, in cooperation with other state agencies and local governments, establish and maintain a central depository of statistical, graphic, library, and other information, including computer-retrievable files, concerning the significant characteristics of the state, its people, economy, land, and physical characteristics. The department shall analyze and disseminate such information to state and local agencies and the general public.

Section 14. Section 2-15-1803, MCA, is amended to read:

"2-15-1803. State banking board -- composition -- allocation. (1) There is a state banking board.

(2) The board is composed of seven members, including the director of ~~business regulation~~ commerce, or his designee, who is the chairman of the board. The remaining

six members of the board shall be appointed with consideration given banks of small, medium, and large size and to geographical distribution. At least one banker member and one public member shall be appointed from each congressional district of the state. Two of the six members shall be active officers in state banks of Montana, one shall be an active officer of a national bank doing business in Montana, and three shall be members of the public, none of whom shall be an officer, director, or shareholder of any state or national bank.

(3) The members shall be appointed by the governor with the consent of the senate for terms of 3 years. Vacancies shall be filled by appointment for the unexpired term. No member other than the director of business regulation may serve more than two consecutive terms.

(4) The board is allocated to the department for administrative purposes only as provided in 2-15-121."

Section 15. Section 37-60-101, MCA, is amended to read:

"37-60-101. General definitions. As used in this chapter, the following definitions apply:

(1) "Department" means the department of ~~professional and occupational licensing~~ commerce.

(2) "Director" means the director of the department of ~~professional and occupational licensing~~ commerce or his

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designee.

(3) "Licensee" means a person licensed under this chapter and includes but is not limited to private investigator and private patrol operator.

(4) "Manager" means the individual under whose direction, control, charge, or management the business of a licensee is operated.

(5) "Person" includes any individual, firm, company, association, organization, partnership, and corporation."

Section 16. Section 60-11-101, MCA, is amended to read:

"60-11-101. Rail planning. The department of commerce may administer rail planning activities."

Section 17. Section 76-3-504, MCA, is amended to read:

"76-3-504. Minimum requirements for subdivision regulations. (1) Not later than December 31, 1973, the department of ~~community affairs, through its division of planning,~~ commerce shall, in conformance with the Montana Administrative Procedure Act, prescribe reasonable minimum requirements for subdivision regulations adopted pursuant to this chapter.

(2) The minimum requirements shall include detailed criteria for the content of the environmental assessment required by this chapter. In prescribing the minimum contents of the subdivision regulations, the department of

~~community affairs, through its division of planning,~~ commerce shall require the submission by the subdivider to the governing body of an environmental assessment.

(3) The department shall provide for the review of preliminary plats by those agencies of state and local government and affected public utilities having a substantial interest in a proposed subdivision. Such agency or utility review shall not delay the governing body's action on the plat beyond the time limit specified herein, and the failure of any agency to complete a review of a plat shall not be a basis for rejection of the plat by the governing body."

Section 18. Reorganization procedure. The provisions of sections 2-15-131 through 2-15-137 govern the merger of the department of community affairs, the department of professional and occupational licensing, and the department of business regulation into the department of commerce and the transfer of the various functions contained in this act.

Section 19. Implementation. The governor shall by executive order implement the provisions of this act.

Section 20. Codification instruction. (1) Section 5 is intended to be codified as an integral part of Title 37, chapter 1, part 1, and section 5 applies to that part.

(2) The code commissioner shall recodify 2-15-1112 and 2-15-1113 as an integral part of Title 90.

Section 21. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 22. Repealer. Sections 2-15-1101, 2-15-1601, and 67-2-201 through 67-2-205, MCA, are repealed.

Section 23. Effective date. (1) Section 19 is effective on passage and approval of this act.

(2) Sections 1 through 18 and sections 20 through 23 are effective upon signing of the executive order under section 19 or on July 1, 1981, whichever occurs earlier.

-End-

47th

LEGISLATIVE SESSION

COMMITTEE ON STATE ADMINISTRATION SENATE

SENATE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CONCURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CONCURRED IN DATE
Senate 282	1/26		1/27						
294	1/27	2/11				2/17			
298	1/27	2/5: 2/10				2/10			
321	1/29	2/2; 2/3				2/3			
350	2/2	2/9				2/9			
371	2/5		2/9						
385	2/7	2/13				2/17			
401	2/7	2/10				2/10			
402	2/7	2/13				2/17			
405	2/9	2/16; 2/17				2/17			
417	2/10	2/19			2/19				
419	2/10	2/18; 2/19				2/19			
424	2/10	2/18		2/18					
429	2/10	2/19			2/19				
430	2/10	2/18	2/13						
432	2/11	2/16; 2/17				2/17			

Use a separate sheet for Senate, House Bills, and Resolutions.

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

February 16, 1981

The twenty-eighth meeting of the Senate State Administration committee was called to order by Senator Pete Story, Chairman, on the above date, in Room 442, of the State Capitol Building at 10:00 a.m.

ROLL CALL: All members of the committee were present.

CONSIDERATION OF SENATE BILL 437:

AN ACT ELIMINATING THE REQUIREMENT TO PROVIDE PAPER BALLOTS WHERE VOTING MACHINES ARE USED.

Sen. Mike Anderson, district 40, asked that this be put on the Consent Calendar. This bill eliminates paper ballots.

PROPONENTS:

Bill Romine, speaking for the clerk and recorders, stated it is too expensive to provide paper ballots.

OPPONENTS:

Margaret Davis, LWV, stated that there are some people who distrust or are unfamiliar with the devises on the machines; also, there can be malfunctions, etc. Elections are held for the voters, expensive, but a part of the process.

Questions from the committee: Sen. Hafferman asked about senior citizens. Mr. Romine could understand people who have a fear but still feels it should be standardized.

The hearing was closed.

CONSIDERATION OF SENATE BILL 432:

AN ACT TO MERGE THE DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING AND CERTAIN FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS WITH THE DEPARTMENT OF BUSINESS REGULATION AND TO RENAME THAT DEPARTMENT THE DEPARTMENT OF COMMERCE: TO ALLOCATE CERTAIN FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS TO OTHER DEPARTMENTS OF STATE GOVERNMENT: TO GENERALLY REVISE THE LAWS TO CONFORM TO THE MERGER: TO ABOLISH OTHER FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS, INCLUDING THE STATE AIRCRAFT POOL: TO PROVIDE FOR A STATE INFORMATION AND RESEARCH SYSTEM.

Sen. Fred Valkenburg, district 50, introduced the bill at the request of the governor to create the Department of Commerce by merging the departments of commercial affairs, professional and occupational licensing, and business regulation. Their functions will be transferred to other agencies. There are benefits to the state by combining these functions. Enclosed in this bill is a portion of the state of the state message. It is the governor's opinion that the state will be better served by putting the regulating functions with the developmental functions in the same house.

PROPONENTS: Gary Buchanan, enclosed three items and explained them briefly and stated this bill will streamline the governor's proposals in the state of the state.

Dave Weizenried, Department of Community Affairs, submitted enclosures. He stated this is the only department that is being dismantled and offered amendments, which are enclosed.

Janelle Fallan, from Montana Chamber of Commerce, stated the executive board has unanimously endorsed this bill, claiming it is good to consolidate and disperse.

OPPONENTS: None.

Questions from the committee: Sen. Towe asked about amendments required by federal law. Mr. Buchanan said it should be housed in the Department of Justice with the governor retaining final authority.

Sen. Ryan asked a question that had come from the visitors, regarding from where the funds would be coming. Mr. Buchanan stated they would remain in earmarked relationship. He enclosed typographical errors.

The hearing was closed.

CONSIDERATION OF SENATE BILL 405:

AN ACT TO ELIMINATE THE DUTIES OF THE DEPARTMENT OF COMMUNITY AFFAIRS UNDER THE MONTANA SUBDIVISION AND PLATTING ACT AND ASSIGN CERTAIN OF THESE DUTIES TO THE BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

2-16-21
Amend
432

Amend Senate Bill 432, Introduced Copy as follows:

1. Amend page 7, line 12

Insert: new subsection

"(2) The program is attached for administrative purposes only as prescribed in 2-15-121. However, the program may hire its own personnel, and 2-15-121(2)(d) does not apply."

Renumber: subsequent subsections

PROPOSED AMENDMENT TO SENATE BILL 432

Page 10, Line 14 and 15

" No member other than the director of ~~business regulation~~ commerce may serve more than two consecutive terms. "

The purpose of the amendment is merely to change the words, "business regulation" to "commerce" in the affected lines. The former reference was inadvertantly left in when the change in the section was made.

Section-by-Section Summary of SB432

(Introduced Bill)

Section 1. Eliminates the Departments of Community Affairs and Professional and Occupational Licensing, and changes the name of the Department of Business Regulation to the Department of Commerce.

Section 2. Transfers the entire Department of Business Regulation to the Department of Commerce.

Section 3. Transfers the entire Department of Professional and Occupational Licensing to the Department of Commerce.

Section 4. Transfers the several boards now attached to the Department of Professional and Occupational Licensing to the Department of Commerce.

Section 5. Defines term "board" to mean each board reallocated by section 4.

Section 6. Abolishes the Department of Community Affairs and transfers a number of its current statutory functions to the Department of Commerce.

Section 7. Transfers DCA's local government services program i.e. auditing accounts and financial transactions of political subdivision, to the Department of Administration.

Section 8. Transfers DCA's highway traffic safety program to the Department of Justice.

Section 9. Transfers DCA's home weatherization program to the Department of Social and Rehabilitative Services.

Section 10. Deletes reference to the DCA as a human services agency to reflect the transfer of its human service functions to SRS.

Section 11. Reallocates the board of housing to the Department of Commerce along with the functions relating to the board of housing now lodged in the Department of Administration.

Section 12. Reallocates the Board of County Printing, the Board of Aeronautics, the Coal Board, and the office of the State Coordinator of Indian Affairs from

DCA to the Department of Commerce.

Section 13. Establishes a state information and research system in the Department of Commerce. There is currently no specific law creating this function, although there are many references to research and information functions within the laws authorizing the various other functions of DCA. These activities are now carried on by DCA's Research and Information Systems Division.

Section 14. Designates the director of the Department of Commerce, rather than the Department of Business Regulation as the chairman of the State Banking Board.

Section 15. Substituting "Department of Commerce" for "Department of Professional and Occupational Licensing" in statute providing for the licensing of private investigators.

Section 16. Transfers the rail planning function from the Department of Highways to the Department of Commerce.

Section 17. Transfer responsibility for adopting minimum requirements for local subdivision regulation from DCA to the Department of Commerce.

Section 18. Provides that the reorganization authorized by this bill will be governed by the same reorganization provisions authorized in 1971. These provisions provide for:

- protection of rights of state personnel
- transfer of property
- continuity of legal and contractual rights
- continuity of administrative rules
- continuity of legal proceedings
- continuity of federal aid

Section 19. This section authorizes the Governor to implement the provisions of this act by executive order.

Section 20. Codification instructions.

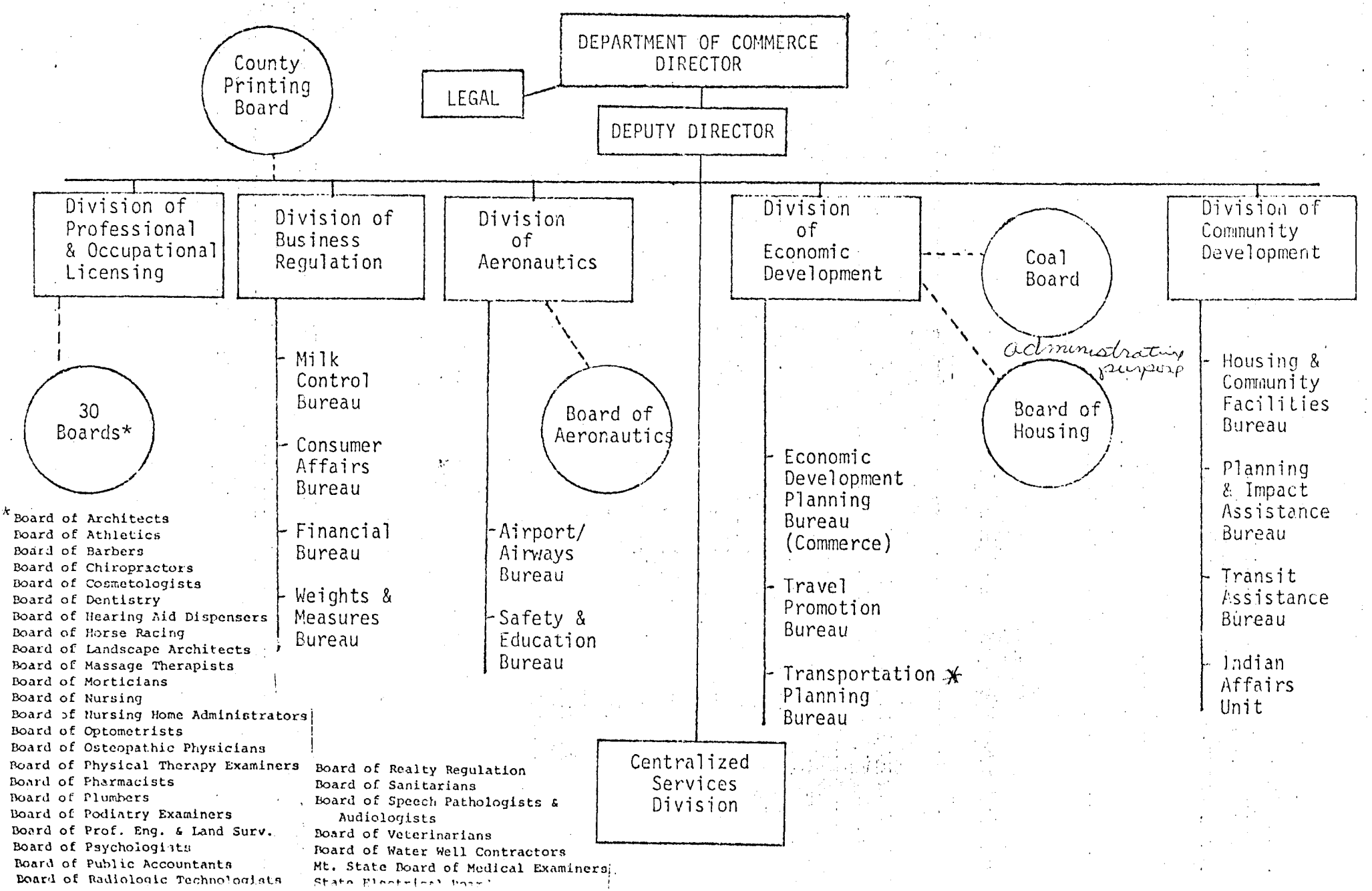
Section 21. Severability clause

Section 22. Repeals the sections creating the DCA, the Department of Professional and Occupational Licensing and the state air pool.

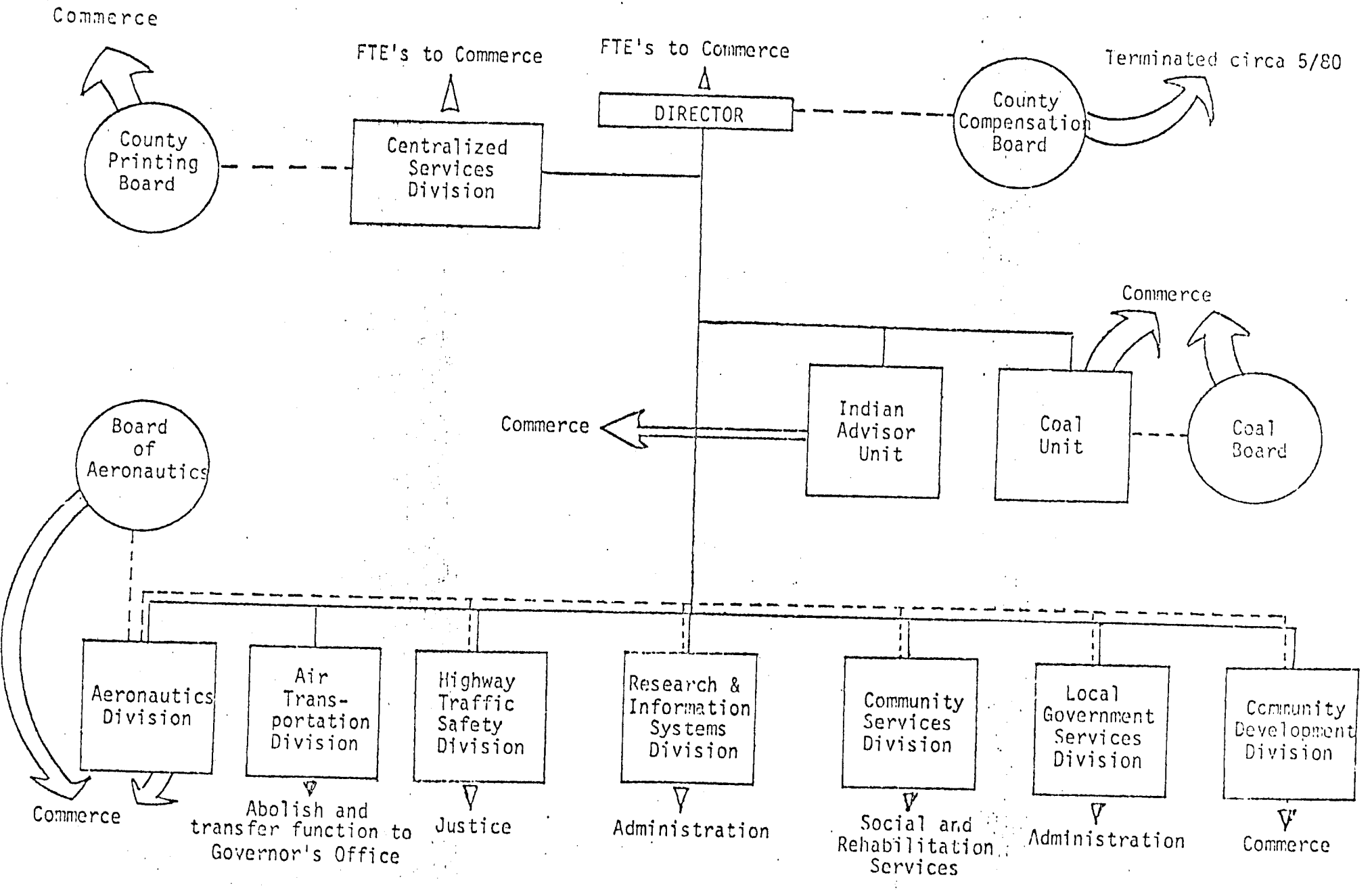
Section 23. Provides for implementation of act prior to July 1, 1981, upon the governor's signing of the executive order authorized by section 19.

EXHIBIT 5

PROPOSED STRUCTURE OF THE DEPARTMENT OF COMMERCE



PROPOSED ALLOCATION OF THE FUNCTIONS OF THE DEPARTMENT OF COMMUNITY AFFAIRS



SECTION	SUBJECT
90-1-101 thru 90-1-108	Functions of DCA in planning and economic development including state planning, community development, recreational development, economic development, and housing
90-5-113	DCA to furnish advice to counties and municipalities regarding projects under industrial development bond funding
90-6-204	DCA to provide office facilities and staff for Coal Board
90-6-207	DCA to identify 10% population growth as a result of coal development

IDENTIFICATION OF MCA NUMBERS REFERENCED IN

THE DEPARTMENT OF COMMERCE BILL

SB 432

SECTION 5 OF BILL

DCA to DOC

SECTION	SUBJECT
7-14-102	DCA to allocate one-half of the funds appropriated to cities and urban transportation districts
15-70-204	Allocates to DCA the tax on aviation gasoline
15-70-221	Exempts from any refund of gasoline t amounts paid to DCA of aviation gasol tax
67-1-101	Defines "department" as DCA for purpos of the aeronautics laws
80-8-204	Aerial application of pesticides shall meet requirements of DCA
75-20-211	Includes DCA as a department to be ser with application under major facility siting act
75-20-216	Includes DCA as department to report o impact of application under major faci siting act
75-20-501	Includes DCA as departments to be furnished with long range utility plan
76-3-403	DCA to prescribe uniform standards for monumentation and content of records of survey
76-3-502	DCA to review local subdivision regulations prior to adoption or amendment
76-3-504	DCA to prescribe minimum standards for local subdivision regulations
76-4-129	DCA to prescribe form of joint applica tion for subdivision approval

Section 20. Codification instructions.

Section 21. Severability clause

Section 22. Repeals the sections creating the DCA, the Department of Professional and Occupational Licensing and the state air pool.

Section 23. Provides for implementation of act prior to July 1, 1981, upon the governor's signing of the executive order authorized by section 19.

IDENTIFICATION OF MCA NUMBERS REFERENCED IN

THE DEPARTMENT OF COMMERCE BILL

SB 432

SECTION 7 OF BILL

DCA TO DOA

SECTION	SUBJECT
2-5-501	Identify's DCA as the Department responsible for audits of political subdivisions
2-9-702	DCA is to determine the amount of bond required of county officers
2-9-802	Requires DCA to determine the adequacy of a bond for a city officer of employee
7-1-4121	Provides that the definition of "population" is any estimation approved by DCA
7-1-4130	Provides that DCA shall cooperate with the Secretary of State to prepare standard petition forms
7-1-4145	Provides DCA shall coordinate the collection of data by state-federal agencies from municipalities and requires state agencies to notify DCA of requests for information from municipalities
7-1-4147	Provides DCA shall coordinate technical advice and assistance to municipalities by state agencies
7-1-4148	Gives DCA the power to order stoppage of any payments of state financial aid to any municipalities which refuse to provide information to any state agency
7-2-4906	Provides that a certified copy of an order of disincorporation shall be sent to DCA
7-2-4911	Provides that upon receipt of such order of disincorporation DCA shall certify a current statement of financial condition of the disincorporating city or town to the Board of County Commissioner

SECTION	SUBJECT
7-2-4912	DCA shall supervise the drawing of unencumbered cash from a disincorporated city
7-3-146	DCA shall receive two copies of a petition to alter the form of local government
7-3-153	DCA shall receive a copy of the existing or proposed plan of government ratified by voters
7-4-2634	Provides mechanism whereby DCA may verify charges made for services by county clerk
7-5-2132	DCA to give approval for destruction of old county records
7-5-4124	DCA to give approval for destruction of old municipal records
7-6-207	DCA to approve form of receipt and trustee when negotiable securities are furnished as deposit security
7-6-209	Director of DCA to sign all trustee and deposit receipts and releases where negotiable securities are placed in trust for security of county, city and town funds
7-6-210	Supervisory role of DCA regarding deposited funds of county, city or town
7-6-2114	County Treasurer must permit DCA to examine books and county money in treasury
7-6-2203	County Clerk shall present to DCA a complete statement of financial condition of county every fiscal year
7-6-2212	DCA to approve any sum for petty cash fund
7-6-2302	DCA to make rules and prescribe forms necessary to carry out county budget law
7-6-2311	DCA to prescribe forms for revenue estimates of counties
7-6-2314	DCA to establish a standard classification for maintenance and operation
7-6-2315	DCA to receive copy of completed budget of county
7-6-2322	Budget and tax levys to be supplied to DCA
7-6-4111	Forms for the annual financial statements of cities or towns to be prescribed by DCA

SECTION	SUBJECT
7-6-4113	DCA to receive copy of annual financial statement of city
7-6-4205	DCA to make rules and prescribe forms to carry out provisions of municipal budget law
7-6-4221	DCA to prescribe forms for estimates of revenues and expenses of cities and towns
7-6-4225	DCA to establish standard classifications for maintenance and operation for cities and towns
7-6-4233	Budget and tax levys to be supplied to DCA by city clerks
7-7-123	DCA to approve any investment of bond sinking funds of county, city or towns
15-36-112	DCA to determine population as basis for disposition of oil and gas severance taxes
17-6-103	DCA to prescribe rules of eligibility of bonds as securities for deposits of public funds
19-11-206	DCA may audit financial statements of fire fighters association
19-11-303	DCA to receive information from fire fighters retirement associations in 1st and 2nd class cities in order to complete an actuarial valuation of fund
19-11-403	DCA shall advise fire fighters retirement associations of the current yield on public retirement funds
20-1-212	DCA to give approval for destruction of old records by school official
20-9-203	DCA to annually audit records of school districts
20-9-344	DCA to prescribe form of repayment of any overage of state equalization aid received by schools
20-9-504	DCA to recommend accounting system for extra curricular fund
61-2-208	DCA authorized to inspect the accounts of the vehicle equipment safety commission
85-7-1616	DCA to prescribe forms and to examine records of irrigation districts

SECTION	SUBJECT
85-7-1913	DCA to prescribe forms and examine records of board of commissioners of irrigation districts
85-7-2027	DCA to approve certificates which irrigation districts may invest any surplus funds
85-9-611	DCA to annually examine financial records of conservancy districts

IDENTIFICATION OF MCA NUMBERS REFERENCED IN

THE DEPARTMENT OF COMMERCE BILL

SB 432

SECTION 8 OF BILL

DCA TO JUSTICE

SECTION	SUBJECT
61-2-102	Defines DCA as department for the traffic safety program
61-2-103	Identifies the duties of DCA regarding the traffic safety program

IDENTIFICATION OF MCA NUMBERS REFERENCED IN

THE DEPARTMENT OF COMMERCE BILL

SB 432

SECTION 9 OF BILL

DCA TO SRS

SECTION	SUBJECT
90-4-201	Weatherization monies from CSA appropriated to DCA
90-4-202	DCA to allocate funds appropriated for weatherization to Governor's substate planning districts

SECTION 11 OF BILL

2-15-1008	This section presently allocates the Board of Housing to DOA and the codification instruction will ensure its allocation to DOC.

SECTION 12 OF BILL

2-15-1102 thru 1104	These sections allocate to DCA the boards of County Printing, Aeronautics, and Coal, respectively. This codification instruction ensures that those boards will be attached to the Departme of Commerce
2-15-1111 thru 2-15-1113	These statutes are the enabling legislation for the office of the Coordinator of Indian Affairs. This codification instruction ensures that those statutes will become part of the sections of law dealing with the Department of Commerce

SECTION 22 OF BILL
(REPEALER)

2-15-1101	This section provides for DCA
2-15-1601	This section provides for a DPOL

(Section 22 of bill cont.)

SECTION	SUBJECT
67-2-201 thru 67-2-205	These sections provide for a state airplane pool.

ACTION ON SENATE BILL 405: Amendments were distributed by the legal council, discussion followed regarding them and about engineers and surveyors. Senator Towe moved the amendments; passed. Senator Hammond moved the bill DO PASS AS AMENDED. See roll call vote. Senator Johnson and Kolstad had left written votes before leaving the room. The motion carried.

ACTION ON SENATE BILL 432: Senator Towe moved the amendments; passed; moved the bill DO PASS AS AMENDED: passed.

ACTION ON SENATE BILL 437: Senator Hafferman moved it DO NOT PASS: motion carried.

ACTION ON SENATE JOINT RESOLUTION 15: Senator Ryan moved this do pass; motion carried with written ballot by absent senator Johnson, no. This was not the final vote because it was brought up for reconsideration on 2-19-81 and the result was DO NOT PASS. See roll call votes.

ADJOURNMENT: 11:30.

Senator Pete Story Chairman

SB 432.

1. Page 6, line 19
Following: line 18
Strike: " 15-36-112"

3. Page 8, line 3 through line 5
Following: " 53-10-101"
Strike: " remainder of line 3 through "75-20-501" on line 5"

Amend page 7, line 12

Insert: new subsection

"(2) The program is attached for administrative purposes only as prescribed in 2-15-121. However, the program may hire its own personnel, and 2-15-121(2)(d) does not apply."

Renumber: subsequent subsections

4. Page 10, lines 14 and 15
Following: "of"
Strike: "business regulation"
Insert: "commerce"

STANDING COMMITTEE REPORT

FEBRUARY 17 19 81

MR. PRESIDENT

We, your committee on STATE ADMINISTRATION

having had under consideration SENATE Bill No. 432

Respectfully report as follows: That SENATE Bill No. 432

introduced bill, be amended as follows:

1. Page 6, line 19.
Following: line 18
Strike: "15-36-112"

2. Page 7, line 12.
Following: line 11
Insert: " 2) The program is attached for administrative purposes only a prescribed in 2-15-121. However, the program may hire its own personnel, and 2-15-121 (2)(d) does not apply."
Renumber: all subsequent subsections

3. Page 8, line 3 through line 5.
Following: "53-10-101"
Strike: remainder of line 3 through "75-20-501" on line 5

~~DO PASS~~

CONTINUED

SENATOR PETE STORY Chairman

STATE ADMINISTRATION FEBRUARY 17 19 81

SENATE BILL 432

4. Page 10, lines 14 and 15.
Following: "of"
Strike: "business regulation"
Insert: "commerce"

AND, AS SO AMENDED

DO PASS

P.A

SENATOR PETE STORY Chairman.

STATE PUB. CO.

SENATE BILL 432-SPONSOR, Senator Van Valkenburg, introduced this bill at the request of the Office of the Governor. It changes the name of the Department of Business Regulation to the Department of Commerce; abolishes the Department of Professional and Occupational Licensing and Transfers the Departments functions to the Department of Commerce; reallocates the boards under the Department of Professional and Occupational Licensing to the Department of Commerce; abolishes the Department of Community Affairs and its divisions and transfers the Department's functions to the Department of Commerce, Administration, Justice, and Social and Rehabilitation Services; reallocates certain boards under the Departments of Administration and Community Affairs to the Department of Commerce; creates a state information and research system; and abolishes the state airplane pool. A section by section summary of SB 432 is attached and is EXHIBIT 4 of the minutes.

PROPONENTS

REPRESENTATIVE JOE QUILICI, said that if the governor didn't come out with a bill to this effect he would have introduced a committee bill that would have set up a Department of Economic Development. This should have been done a long time ago. He said that he also has a resolution in this session to look into transportation problems in the state of Montana. These bureaus will be able to address the transportation problems that exist since the close of the Milwalkee Railroad and the loss of the incomeing freight of the Burlington Northern.

Representative Fabrega, stated that it makes perfect sence to merge these departments. All of this necessitates a Department of Commerce and one director looking at promoting economic development.

GARY BUCHANAN, Department of Business Regulations, explained the structure of the new department to the committee. He passed out a sheet "Proposed Structure of the Department of Commerce" to the members. A copy is attached and is EXHIBIT 5 of the minutes. He said this would reduce the level of staff from three directors to one director and consolidate centralized services saving additional staff and money.

JOHN DELANO, Montana Railroad Assoc., stated that they have no criticism of the present staff but feel it would be advantagous to merge.

SB 432 (cont.)

JANELLE FALLAN, Montana Chamber, stated that this is an idea that is long overdue.

KENNETH CLARK, representing the United Transportation Unions, concurred with other proponents.

JEFF KIRKLAND, Montana Credit Unions League, stated that they feel the administration of their department may be enhanced with this transfer of functions.

GRETCHEN TEA, representing the Montana Bankers Assoc., stated their support of this bill.

MIKE STEPHEN, Montana Assoc. of Counties, concurred with other testimony and stated that they look forward to working with this new system.

DAN MIZNER, League of Cities and Towns, stated that their primary concern is the auditing function that many of the smaller cities and towns rely on and with the Department of Administration continuing this service we think this is the right thing to do. He also said that they are pleased that the Research & Information Systems Division will be maintained.

OPPONENTS

There were none.

QUESTIONS BY THE COMMITTEE

Spilker: Under section 13 it refers to a state information and research system in the Department of Commerce. I thought it was being transferred to the Department of Administration.

Answer: That is a typographical error in the EXHIBIT 4, it should be Dept. of Administration.

Spilker: Is there a conflict between this bill and Senator Regan's bill SB 405?

Buchanan: This bill simply retains status-quo, Senator Regan's bill would amend this requirement within the department.

Senator Van Valkenburg closed the hearing on SB 432.

SENATE JOINT RESOLUTION 25-SPONSOR, Senator McCallum, introduced this resolution to the committee. Currently school districts finance their employer contributions to the Public Employees' and Teachers' Retirement Systems through countywide property tax levies. This resolution requests an interim committee be assigned to study the current funding method used by school districts and to explore alternative funding methods. Senator McCallum passed out a chart that shows the countywide levies for 1980-81. A copy is attached and is EXHIBIT 6 of the minutes. Senator McCallum said that he does not know what the answer is but we have to find some other way of funding these systems.

PROPONENTS

REPRESENTATIVE WALTER SALES, related his concerns about two county schools in his district that pay a large amount of there budget to the retirement systems. He said that one school has an annual budget of about $40,000 and they pay over $20,000 into the retirement system. He said that they are losing everything that would have been given to them under the State Equalization Program.

OPPONENTS

There were none present.

QUESTIONS BY THE COMMITTEE

There were none.

Senator McCallum closed the hearing on SJR 25.

A motion was made to adjourn at 10:00 a.m.

Respectfully submitted,

G. C. "JERRY" FEDA, Chairman

Cathy Martin-Secretary

Note: Executive session on these bill 3/23/81

Public School Retirement and Foundation Program Levies
Countywide - 1980-81

	County Retirement Levy	County 40 Mill Levy	Total County-wide Levy	Total Dollars Retirement Levy
Powder River	3.06	40.00	43.06	$ 155,366
Fallon	4.08	40.00	44.08	189,306
Big Horn	4.52	40.00	44.52	494,402
Sheridan	5.48	40.00	45.48	203,864
Richland	6.20	40.00	46.20	462,210
Rosebud	6.36	40.00	46.36	656,842
Liberty	6.72	40.00	46.72	107,853
Wibaux	6.74	40.00	46.74	72,826
Toole	6.83	40.00	46.83	236,399
Chouteau	8.51	40.00	48.51	251,253
Musselshell	8.69	40.00	48.69	173,780
Blaine	9.19	40.00	49.19	328,685
Petroleum	9.22	40.00	49.22	35,660
Carter	9.32	40.00	49.32	83,327
Phillips	9.42	40.00	49.42	236,778
Garfield	10.32	40.00	50.32	78,428
Treasure	10.47	40.00	50.47	43,539
Judith Basin	10.99	40.00	50.99	117,623
McCone	11.00	40.00	51.00	128,351
Prairie	12.81	40.00	52.81	66,279
Madison	14.04	40.00	54.04	253,125
Meagher	14.17	40.00	54.17	89,015
Sweet Grass	14.49	40.00	54.49	119,839
Teton	14.63	40.00	54.63	271,545
Broadwater	14.87	40.00	54.87	111,359
Golden Valley	14.93	40.00	54.93	69,350
Carbon	15.61	40.00	55.61	369,391
Glacier	16.08	40.00	56.08	673,819
Pondera	16.45	40.00	56.45	359,454
Daniels	16.87	40.00	56.87	148,076
Wheatland	17.65	40.00	57.65	101,242
Beaverhead	17.78	40.00	57.78	319,107
Hill	18.77	40.00	58.77	808,600
Stillwater	19.40	40.00	59.40	274,832
Powell	21.83	40.00	61.83	276,925
Roosevelt	21.96	40.00	61.96	573,559
Yellowstone	22.02	40.00	62.02	4,222,941
Dawson	22.24	40.00	62.24	539,215
Fergus	22.46	40.00	62.46	561,466
Gallatin	22.78	40.00	62.78	1,351,910
Park	23.00	40.00	63.00	439,918
Missoula	23.37	40.00	63.37	3,029,911
Granite	23.39	40.00	63.39	143,579
Valley	24.87	40.00	64.87	552,447
Sanders	25.32	40.00	65.32	493,407
Lincoln	25.33	40.00	65.33	744,589
Flathead	26.61	40.00	66.61	2,142,367
Custer	27.31	40.00	67.31	575,253
Lewis & Clark	29.76	40.00	69.76	1,754,758
Ravalli	29.84	40.00	69.84	753,426
Lake	30.15	40.00	70.15	852,682
Jefferson	30.48	40.00	70.48	311,666
Cascade	31.78	40.00	71.78	2,955,067
Deer Lodge	35.04	40.00	75.04	600,533
Silver Bow	36.34	40.00	76.34	1,980,604
Mineral	39.02	40.00	79.02	192,123
Average Levy	17.51	40.00	57.51	$ 33,139,871

VISITORS' REGISTER

HOUSE STATE ADMINISTRATION COMMITTEE

BILL SB 432 Date 3/20

SPONSOR VAN VALKENBURG

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOSE
[illegible]	Helena	MT Bankers Assn	✓	
Jeffry M. Kirkland	Helena	Montana Credit Unions League	✓	
[illegible]	Helena	Mont Chamber	—	
[illegible]	Helena	Mont Taxpayers Assn	✓	
[illegible]	Helena	Mont Business Inc	✓	
[illegible]	Dept Ed		—	
[illegible]	Miles City	United Transp. Union	✓	
Morris Gulickson	Livingston	" " "	✓	
Jack Fabrega	Great Falls	House Dist. 44	✓	
Phil Strope	Helena	Mont Innkeepers Ass	✓	
Mike Stephens	Helena	MT Assn of Co	✓	
John DeLano	Helena	Mont RR Assn	✓	
	"	"	NS/	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Form CS-33
1-81

EXECUTIVE SESSION (CONT.)

SENATE BILL 432 — BE CONCURRED IN

Lois Menzies, committee researcher said that she had thought that a coordination clause would be necessary with SB 405 and SB 432 but after further research she said this would not be necessary because SB 405 will supercede this legislation.

Representative Sales moved that SB 432 BE CONCURRED IN. A vote was taken and carried unanimously with those present.

Representative Quilici was requested to carry this bill in the House by the Sponsor.

SENATE BILL 442 — BE CONCURRED IN AS AMENDED

Representative McBride reported to the committee the sub-committee findings on SB 442. She explained that as of July 1, the Board is defunct. She said that the Legislative Audit Committee report revealed that the Board was not serving it's function but that the local government by adopting an ordinance could effectively serve this purpose.

Representative Spilker said that there had been some discussion during the testimony on possibly amending the bill so that cash could be put up as a bond.

Representative Spilker moved this amendment. A vote carried unanimously.

Representative McBride said that there was some concern that the local government might adopt an ordinance that will not be as strict as present requirements. She passed out a proposed amendment to the committee. (copy attached)

Representative McBride moved the amendment. A vote carried unanimously.

Representative McBride also suggested that an effective date be provided and she moved that the committee allow Lois Menzies to draft an amendment to this effect. A vote carried unanimously.